

## 2023 Kansas Statutes

**40-3826. Statement of charges, hearing; violation; penalty.** (a) If the commissioner has reason to believe that a pharmacy benefits manager has been engaged in this state or is engaging in this state in activity that violates the pharmacy benefits manager licensure act, the commissioner shall issue and serve upon such pharmacy benefits manager a statement of the charges of any such violation and conduct a hearing thereon in accordance with the provisions of the Kansas administrative procedure act.

(b) If, after such a hearing, the commissioner determines that the pharmacy benefits manager charged has violated the act, the commissioner may, in the exercise of discretion, order any one or more of the following:

(1) (A) Payment of a monetary penalty of not more than \$1,000 for each and every act or violation. The total of the monetary penalties for such violations shall not exceed \$10,000;

(B) if the pharmacy benefits manager knew or reasonably should have known that such manager was in violation of this act, payment of a monetary penalty of not more than \$5,000 for each and every act or violation. The total of the monetary penalties for such violations shall not exceed \$50,000 in any six-month period;

(2) if such manager knew or reasonably should have known such person was in violation of this act, the suspension or revocation of the pharmacy benefits manager's license; or

(3) the assessment of any costs incurred as a result of conducting the administrative hearing authorized by the provisions of this section against the pharmacy benefits manager.

(c) As used in this section, "costs" includes witness fees, mileage allowances, any costs associated with reproduction of documents that become a part of the hearing record and expenses of making a record of the hearing.

(d) (1) If the deadline for filing a petition for review has expired and no such petition has been filed, the commissioner may reopen and modify or set aside any portion or the entirety of any administrative order issued under this section.

(2) The reopening of any such order may occur if, in the commissioner's opinion, the conditions of fact or law have changed to warrant such an action or if such an action is warranted in the public interest.

(e) Any person who acts as a pharmacy benefits manager without being licensed as required by this act shall be subject to a fine of \$5,000 for the period in which the pharmacy benefits manager is found to be in violation.

**History:** L. 2006, ch. 154, § 6; L. 2022, ch. 44, § 7; July 1.